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GREECE-US: Tension Over Defense Ties

The fourth round of bilateral negotiations on bases begins next week amid increasing controversy in Greece over defense relations with the US. [REDACTED]

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The government has tried to dissociate itself from recent demonstrations. Some Socialist groups, however, are cooperating with the Communists. [REDACTED]

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President Karamanlis and opposition leader Averoff reportedly believe the government's handling of public opinion has gotten out of hand. In addition, the country's most respected newspaper is questioning the logic behind government efforts to obtain substantial aid while demanding a definite timetable for removing the bases. [REDACTED]

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Comment: Papandreou probably will prevent disruption of base operations or other excessive anti-US activities by the leftists because he does not want to risk a breakdown in the negotiations. Greek press reports of dissatisfaction in the military could help discourage many from demonstrating for the time being. [REDACTED]

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Papandreou's efforts to create a national consensus on policy toward the US by meeting with party leaders last month appear at best to have produced mixed results. Although most Greeks support the government's goal of gaining increased military and economic aid in return for the continued use of the bases, there are wide differences over negotiating strategy. [REDACTED]

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GUATEMALA: Criticism on Human Rights

The execution of six alleged terrorists three days before the Pope's visit [redacted]

[redacted] *will greatly increase criticism of the government.* [redacted]

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The Pope reportedly requested last month that the executions be postponed until after his visit. The government has not been able to stop the Guatemalan press from publishing the papal entourage's criticism of the executions. [redacted]

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Comment: President Rios Montt is sensitive to external political pressure and probably viewed the papal request as interference. He believes the special tribunals--a court system he set up to operate under the state of siege--are necessary to legitimize the judicial system by insulating it from bribery and intimidation. The tribunals' secrecy and probable lack of due process, however, have prompted widespread condemnation. [redacted]

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NICARAGUA: Pressures on the Sandinistas

One of the parties in the ruling coalition reportedly is considering pulling out of the government next month. [redacted]

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Nicaraguan Ambassador to Honduras Suarez, a leader of the Independent Liberal Party, says party members are increasingly disaffected with the Sandinistas because of their continuing crackdown on civil liberties. Suarez also claims many Liberals resent the way the Sandinistas have exploited the party's participation in the government as evidence of democracy. On the other hand, he says that US policy toward Nicaragua gives the Sandinistas an excuse for repression. [redacted]

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Meanwhile, the government staged a public funeral on Thursday in Managua for 17 militiamen recently killed by the insurgents. According to the Defense Ministry, the dead were volunteers from the Sandinista youth organization. [redacted]

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Comment: Liberal leaders have privately expressed their discontent for some time. They are reluctant, however, to abandon hope that friendly criticism from within the coalition will be more effective than outright opposition. [redacted]

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Both Suarez and the party president--the Minister of Labor--have submitted their resignations on several occasions over the past several months, but each was refused. Although the party is small, a complete break with the Sandinistas would prove politically embarrassing to the regime. [redacted]

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By exploiting the funeral for its propaganda value on the eve of the papal visit, the Sandinistas probably hope to underscore that they are victims of external aggression. Militia and reserve forces seem to be bearing the brunt of the fighting because the Sandinistas apparently want to mobilize popular involvement in the conflict. [redacted]

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FRANCE: Left Faces Election Losses

Recent polls indicate the left will lose control of 30 to 40 cities in municipal elections that begin tomorrow. According to press accounts, Socialist and Communist efforts to mobilize leftist voters have been set back by the government's release last week of figures on inflation and the trade deficit. [redacted]

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[redacted] Communist officials are upset by the lack of cooperation by local Socialist officials. Party leaders agreed last December to back common candidates in all but 10 major cities, but local disputes have led to competing candidacies in 12 others. [redacted]

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Comment: Many races will be decided in the first round. Local frictions between Socialists and Communists are likely to continue to hamper their cooperation in the second round next week. Even with the loss of up to 40 cities, the Socialist government may be able to claim majority support from the population. [redacted]

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CHINA: Defense Policy

An article by the Minister of National Defense in the March issue of the party's theoretical journal says China has to concentrate spending on nuclear weapons and ballistic missiles and should import "advanced technology" for defense modernization. It also states some scientific and technical resources will be shifted from the civilian sector to defense. [REDACTED]

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Comment: [REDACTED] China has given highest priority to strategic weapons for some time, and this article does not necessarily mean more will be spent on them. The decision to make the high priority public is a first, but it is in keeping with Beijing's efforts to be more candid in its media treatment of issues. The Chinese also may be trying to improve their bargaining position in the recently resumed bilateral talks in Moscow. [REDACTED]

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YUGOSLAVIA: Regional Rivalries

Regional economic rivalries are posing an important new test of the federal system. Belgrade on 28 February blocked payments from the federal fund for investments in the underdeveloped southern region. It did so because the more developed republics have failed to meet their constitutional obligations to transfer \$170 million to the south. The fund provided 30 percent of overall new investments in the underdeveloped regions during the last five-year plan. [REDACTED]

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Comment: The funds are important for accelerating economic growth in the underdeveloped regions and maintaining their political stability. In Kosovo, the scene of rioting in 1981, the fund provides as much as 92 percent of the resources for new investment. This dispute will test Belgrade's ability to enforce a federal economic policy, and its failure could create a crisis of confidence in the fragile national leadership. [REDACTED]

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The Nonaligned Movement

The Nonaligned Movement consisted of 25 countries when it was established in 1961. It has grown to 97 members.

All Arab and black African states belong, as do most Asian countries. Only 14 of the 32 Latin American states are members, reflecting the Movement's preoccupation with decolonization, a Palestinian homeland, and black rule in southern Africa.

Every three years, the Movement holds a summit meeting. It is led by a chairman and a 36-member Coordinating Bureau. Both change at each summit.

The Movement issues declarations, but it is not organized to take action. The 120-member "Group of 77," which has a different chairman, is responsible for conducting multilateral negotiations for the Third World in international organizations.

The organization, however, has proposed ideas that the Group of 77 has developed for action. For example, the Movement inspired the creation of the UN Committee on Trade and Development, the proposal for a New International Economic Order, Global Negotiations, and special sessions of the UN General Assembly on disarmament.

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Special Analysis

INTERNATIONAL: The Nonaligned Summit

India will assume the chairmanship of the Nonaligned Movement at the Summit conference next week in New Delhi, ending three years of contentious leadership by Cuba. Havana has used the Movement as a forum to denounce the US and support the USSR as the "natural ally" of the Third World. India is likely to be less blatant in its criticism of the US, but the Movement has an inherently anti-Western bias, and the US will still be a principal target.

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The draft of the communique to be issued at the meeting endorses four familiar objectives--the creation of a Palestinian state, black rule in Namibia and South Africa, the establishment of a New International Economic Order, and superpower disarmament.

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Major Issues

Nonaligned radicals and moderates are ready to debate whether the Movement should be equally critical of the superpowers or continue to single out the US. India will give some support to the moderates but, for the sake of unity, will permit the radicals to inject some anti-US rhetoric into the Summit's final declaration.

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US Embassy reports say ASEAN members will make a determined effort to persuade the heads of state to adopt the majority view and award the Movement's Kampuchean seat to the government-in-exile led by Prince Sihanouk. At a minimum they want an invitation extended to Sihanouk to address the Summit as one of the Movement's founding members.

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India staunchly supports the policy, established in 1979, of not seating any Kampuchean government. It probably will use its power as chairman to keep the Kampuchean seat vacant and prevent Sihanouk from attending.

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Several problems not on the agenda also may receive attention. The US Embassy in Cairo reports President Mubarak may try to improve his standing in the Arab world by meeting with the heads of the PLO and various Arab governments. [REDACTED]

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Iraqi President Saddam Hussein and Iranian President Khamenei are scheduled to attend the Summit, and the Movement is likely to try to revive its effort to mediate an end to the war. [REDACTED]

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India's Goals

India will try to use its position as chairman to help:

- Restore India to a position of international leadership in the organization that Prime Minister Gandhi's father helped found.
- Enhance Gandhi's international standing at a time when election reverses and trouble in Assam have caused concern among some senior Indian officials.

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--Balance New Delhi's close ties with Moscow by improving diplomatic relations with Third World and Western countries in order to demonstrate India's nonalignment. This is reflected in Gandhi's willingness to cooperate with other moderates in moving the Movement away from positions identified with the Soviet camp--despite limited prospects for success.

[redacted]

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New Delhi's more critical stance on the Soviet presence in Afghanistan, for example, has won her good will from some moderates, particularly Saudi Arabia. Gandhi will not swing far in this direction, however. India's continued support of the Soviet-backed Heng Samrin regime in Kampuchea is partly designed to offset the USSR's displeasure over India's criticism on Afghanistan. Moreover, Gandhi will continue to criticize the US presence in the Indian Ocean and US security assistance to Pakistan.

[redacted]

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